

FIRE PROTECTION DISTRICT NO. 2 OF THE
PARISH OF POINTE COUPEE
MORGANZA, LOUISIANA

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2003

A COMPONENT UNIT OF THE
POINTE COUPEE PARISH POLICE JURY

FIRE PROTECTION DISTRICT NO. 2 OF THE
PARISH OF POINTE COUPEE
MORGANZA, LOUISIANA

GOVERNING BOARD

Member	Appointed By	Term Expires
Eugene Serio, Chairman	Board Members	December 31, 2004
Valery Joseph Landry	Pointe Coupee Police Jury	December 31, 2004
Mark Ramagos	Pointe Coupee Police Jury	December 31, 2003
Martin Frey	Village of Morganza	December 31, 2004
Michael Neal	Village of Morganza	December 31, 2003

MEETING DATE

3rd Monday of the Month

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George F. Delaune

CERTIFIED PUBLIC ACCOUNTANT
(A Professional Corporation)

Practice Limited to Governmental Accounting, Auditing and Financial Reporting

Phone
OFFICE (225) 937-9735
FAX (225) 638-3669
E-mail gfdcpa@yahoo.com

Office
7663 ANCHOR DRIVE
VENTRESS, LA 70783-4120

Member
AMERICAN INSTITUTE OF CPAs
LOUISIANA SOCIETY OF CPAs
GOVERNMENT FINANCE
OFFICERS ASSOCIATION

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

Mr. Eugene Serio, Chairman
and Members of the Board of Commissioners
Fire Protection District No. 2 of the
Parish of Pointe Coupee
Morganza, Louisiana

I have audited the accompanying general purpose financial statements of the FIRE PROTECTION DISTRICT NO. 2 OF THE PARISH OF POINTE COUPEE, LOUISIANA (the "District"), a component unit of the Pointe Coupee Parish Police Jury, as of and for the year ended December 31, 2003, as listed in the Table of Contents. These general purpose financial statements are the responsibility of the District's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and with provisions of Louisiana Revised Statute 24:513 and the provisions of the *Louisiana Governmental Audit Guide*, published jointly by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor. Those standards and the Guide require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the District as of December 31, 2003, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued my report dated January 13, 2004, on my consideration of the District's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government*

Auditing Standards and should be read in conjunction with this report in considering the results of my audit.

My audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the District. Such information has not been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, and, accordingly, I express no opinion on it.

George F. Delaune, CPA

January 13, 2004

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FIRE PROTECTION DISTRICT NO. 2
OF THE PARISH OF POINTE COUPEE, LOUISIANA
COMBINED BALANCE SHEET
GOVERNMENTAL FUND TYPE AND ACCOUNT GROUPS
DECEMBER 31, 2003

	Govern- mental Fund Type	Account Group	Totals (Memorandum Only)	
	General Fund	General Fixed Assets	2003	2002
ASSETS				
Cash	\$ 111,174		\$ 111,174	\$ 170,900
Receivables -				
Ad valorem	47,854		47,854	37,278
State Revenue sharing	597		597	632
Due from other governmental units	1,069		1,069	1,069
Property, plant, and equipment		\$ 542,162	542,162	290,025
TOTAL ASSETS	\$ 160,694	\$ 542,162	\$ 702,856	\$ 499,904
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$ 318		\$ 318	\$ 860
Amount due retirement system	2,016		2,016	1,558
Total Liabilities	2,334		2,334	2,418
Fund Equity:				
Contributed capital - 4 th Ward	2,242		2,242	2,242
Investment in general fixed assets -				
Federal grant		111,435	111,435	
Pointe Coupee Parish Police Jury		11,000	11,000	11,000
Village of Morganza		5,275	5,275	5,275
4 th Ward Fire Prevention District		58,729	58,729	58,729
General Fund Revenues		355,723	355,723	215,021
Fund balance -				
Unreserved - undesignated	156,118		156,118	205,219
Total Fund Equity	158,360	542,162	700,522	497,486
TOTAL LIABILITIES AND FUND EQUITY	\$ 160,694	\$ 542,162	\$ 702,856	\$ 499,904

The accompanying notes are an integral part of these statements.

FIRE PROTECTION DISTRICT NO. 2
OF THE PARISH OF POINTE COUPEE, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (GAAP BASIS)
GOVERNMENTAL FUND TYPE - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2003

	2003			2002
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Revenues:				
Taxes -				
Ad valorem	\$ 37,278	\$ 45,932	\$ 8,654	\$ 39,968
Total Taxes	37,278	45,932	8,654	39,968
Intergovernmental revenues -				
Federal grant	111,435	111,435	0	
State fire insurance rebate	4,126	4,524	398	4,126
State revenue sharing	1,800	2,582	782	1,894
	117,361	118,541	1,180	6,020
Miscellaneous revenues -				
Interest earned	2,135	1,209	(926)	2,135
	2,135	1,209	(926)	2,135
Total Revenues	156,774	165,682	8,908	48,123
Expenditures:				
Current Operations -				
Public Safety -				
Professional fees	1,775	1,512	263	1,775
Tax collector fees	1,558	2,016	(458)	1,558
Vehicle maintenance	22,000	25,106	(3,106)	5,327
Radios/pagers maintenance	1,200	316	884	1,211
Fire equipment maintenance	1,500	1,117	383	381
Protective gear	1,000	584	416	567
Building maintenance	500	414	86	0
Telephone	500	497	3	460
Utilities	2,000	1,435	565	1,710
Insurance	10,000	10,333	(333)	7,090
Supplies and small tools	1,000	1,244	(244)	1,263
Travel and training sessions	8,809	8,337	472	792
All others	1,000	495	505	1,091
Total Public Safety	52,842	53,406	(564)	23,225

The accompanying notes are an integral part of these statements.

FIRE PROTECTION DISTRICT NO. 2
OF THE PARISH OF POINTE COUPEE, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (GAAP BASIS)
GOVERNMENTAL FUND TYPE - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2003

	2003			2002
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Capital Outlays -				
Fire fighting equipment and tools	67,005	96,039	(29,034)	5,648
Uniforms and protective gear	49,002	29,537	19,465	
Radios and pagers	5,000	579	4,421	5,550
Office furniture and equipment		667	(667)	
Vehicles	125,165	125,315	(150)	261
Total Capital Outlays	246,172	252,137	(5,965)	11,459
Total Expenditures	299,014	305,543	(6,529)	34,684
Excess of Revenues Over Expenditures	(142,240)	(139,861)	2,379	13,439
Other Financing Sources (Uses)				
Debt financing proceeds	99,965	99,965	0	
Debt service -				
Principal paid	(7,589)	(7,589)	0	
Interest expense	(1,616)	(1,616)	0	
Total Other Financing Sources (Uses)	90,760	90,760	0	
Excess of Revenues & Other Financing Sources Over Expenditures & Other Financing Uses	(51,480)	(49,101)	2,379	13,439
Fund Balance - January 1	205,219	205,219	0	191,780
FUND BALANCE - DECEMBER 31	<u>\$ 153,739</u>	<u>\$ 156,118</u>	<u>\$ 2,379</u>	<u>\$ 205,219</u>

The accompanying notes an integral part of these statements.

FIRE PROTECTION DISTRICT NO. 2 OF THE
PARISH OF POINTE COUPEE
MORGANZA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - INTRODUCTION

On July 14, 1981, the 4th Ward Fire Protection District of the Parish of Pointe Coupee, Louisiana was redesignated Fire Protection District No. 2 of the Parish of Pointe Coupee, Louisiana (the "District") by a resolution of the Pointe Coupee Parish Police Jury under authority of Louisiana Revised Statute 40 Section 1491. The District operates under a commission form of government and provides fire protection services to all the territory situated within the limits of Pointe Coupee Election District 3, as said Election District was constituted. The Board is composed of five commissioners: two appointed by the Pointe Coupee Parish Police Jury; two appointed by the Village of Morganza; and one appointed by the other four who acts as chairman. These five commissioners accept no compensation although per diem is allowed. The District has no employees. Labor is furnished through a intergovernmental service agreement with the local volunteer firefighters.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying general purpose financial statements of the Fire Protection District No. 2 of the Parish of Pointe Coupee, Louisiana have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Reporting Entity

As the governing authority of the parish, for reporting purposes, the Pointe Coupee Parish Police Jury is the financial reporting entity for Pointe Coupee Parish. The financial reporting entity consists of [a] the primary government (police jury), [b] organizations for which the primary government is financially accountable, and [c] other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Pointe Coupee Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the police jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.

FIRE PROTECTION DISTRICT NO. 2 OF THE
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NOTES TO THE FINANCIAL STATEMENTS

3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Applying criteria #3, the District was determined to be a component unit of the Pointe Coupee Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

Fund Accounting

The District uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds of the District are classified as governmental funds. Governmental funds account the District's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds of the District include:

General Fund -- the general operating fund of the District and accounts for all financial resources.

Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by the governmental funds. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Property tax revenues are recognized when they become available. Available means when due, or past due and receivable and collected generally within 60 days after year end. See Note 4 for the property tax calendar.

Miscellaneous revenue (except investment earnings) are recorded as revenue when cash is received because they generally are not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available.

Federal and state grants and reimbursements are recorded when the District is entitled to the funds.

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MORGANZA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

Substantially all other revenues are recorded when received by the District.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for principal and interest on general long-term debt which are recognized when due in the General Fund.

Budgets

Proposed operating budgets for the fiscal years 2003 through 2009 (the term of the approved ad valorem tax millage), prepared on GAAP Basis, are approved by the Board of Commissioners and adopted in accordance with the Local Government Budget Law. The operating budget includes proposed expenditures and the means of financing them.

During the year, monthly budgetary comparison statements are used as management tools to control operations. When necessary the Board adopts budget amendments which are included in District minutes published in the official journal.

The District exercises budgetary control at the line item level. Unexpended appropriations lapse at the end year end and must be reappropriated in the next year's budget to be expended.

Encumbrances

The District does not follow the encumbrance method of accounting.

Cash

Cash includes amounts in demand deposits. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Bad Debts

The District uses the direct charge-off method whereby uncollectible amounts due from charges are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. The direct charge-off method is used because it does not cause a material departure from GAAP and it approximates the valuation method.

Inventories

Inventories for supplies are immaterial and are recorded as expenditures when purchased.

FIRE PROTECTION DISTRICT NO. 2 OF THE
PARISH OF POINTE COUPEE
MORGANZA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

Fixed Assets

Fixed assets are recorded as expenditures at the time purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. Interest costs incurred during construction are capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are stated at their estimated fair value on the date donated.

Compensated Absences

The District has no employees; therefore, it has no vacation or sick leave policies.

Fund Equity

The unreserved fund balances for governmental funds represent the amount available for budgeting future operations.

Comparative Data

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the District's financial position and operations. However, complete comparative data (i.e., presentation of prior year totals by fund type in each of the statements) have not been presented since their inclusion would make the statements unduly complex and difficult to read.

Total Columns on Combined Statements

Total columns on the Combined Statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations, in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE 3 - CASH

At December 31, 2003, the status of deposited funds and collateralized balances are as follows:

Balance per bank statements	\$ 109,838
Secured by Federal Deposit insurance	100,000
Secured by market value of pledged securities	<u>117,418</u>
Unsecured and Uncollateralized	<u><u>\$ 0</u></u>

These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on

FIRE PROTECTION DISTRICT NO. 2 OF THE
PARISH OF POINTE COUPEE
MORGANZA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 3, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the District that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 4 - AD VALOREM TAXES

All taxable property located within the State of Louisiana is subject by law to taxation on the basis of its assessed valuation. The assessed value is determined by the Parish Assessor, except for public utility property which is assessed by the Louisiana Tax Commission.

The 1974 Louisiana Constitution provided that, beginning in 1978, all land and residential property were to be assessed at 10% of fair market value; agricultural, horticultural, marsh lands, timber lands and certain historic buildings are to be assessed at 10% of "use" value; and all other property is to be assessed at 15% of fair market value. Fair market values are determined by the elected assessor of the parish and are subject to review and final certification by the Louisiana Tax District. The Assessor is required to reappraise all property every four years.

The Sheriff of Pointe Coupee Parish, as provided by State Law, is the official tax collector of general property taxes levied by the Parish. By agreement, the Sheriff receives a commission of approximately 4.21%.

The millage rates are adopted in late October. The taxes are levied and notices are mailed out in mid November of the year. All taxes are due by December 31 of the year and are delinquent on January 1 of the next year, which is also the lien date.

State law requires the Sheriff to collect property taxes in the calendar year in which the assessment is made. If taxes are not paid by the due date of December 31, the taxes bear interest at one and one-fourth percent (1.25%) per month until the taxes are paid. After notice is given to the delinquent taxpayers, the Sheriff is required by the Constitution of the State of Louisiana to sell the least quantity of property necessary to settle the taxes and interest owed.

Property taxes are recognized as revenue in the year for which they are levied and become due. The majority of the year's taxes are usually collected in November and December of the year. Any amounts not collected at December 31 are shown as accounts receivable.

For the year 2003, taxes of \$47,853.56 were levied on property with assessed valuations totaling \$9,928,062 at the rate of 4.82 mills for the purpose of maintaining and operating the District's fire protection facilities, for purchasing fire trucks and other fire fighting equipment and paying the cost of obtaining water for fire protection purposes, including charges for fire hydrant rentals and service and for the purpose of paying the cost of acquiring, improving, or constructing fire protection facilities of the Fire Protection District, constituting works of public improvement, title to which shall be in the public.

FIRE PROTECTION DISTRICT NO. 2 OF THE
PARISH OF POINTE COUPEE
MORGANZA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 5 - DUE FROM OTHER GOVERNMENTAL UNITS

The balance due from other governmental units for reimbursement of a parishwide emergency telephone service is as follows:

Fire Protection District No. 1 of the Parish of Pointe Coupee	\$ 96
Fire Protection District No. 3 of the Parish of Pointe Coupee	457
Fire Protection District No. 4 of the Parish of Pointe Coupee	258
Fire Protection District No. 5 of the Parish of Pointe Coupee	258
	<u>\$ 1,069</u>

NOTE 6 - CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	January 1, 2003	Additions	Deletions	December 31, 2003
Vehicles	\$ 158,390	\$ 125,315		\$ 283,705
Fire fighting equipment/tools	52,304	96,039		148,343
Radios and paging equipment	53,639	579		54,218
Uniforms and protective gear	7,389	29,537		36,926
Office furniture and equipment	1,887	667		2,554
Fire hydrants	4,860			4,860
Buildings and improvements	11,556			11,556
Totals	<u>\$ 290,025</u>	<u>\$ 252,137</u>	<u>\$ 0</u>	<u>\$ 542,162</u>

NOTE 7 - FEDERAL GRANT

The District received a 90/10 "Assistance to Firefighters Grant" in the amount of \$111,435 from the U.S. Department of Homeland Security. The District matched \$12,381 and expended \$123,816 for firefighting equipment, personal protective equipment, and training.

NOTE 8 - CAPITAL LEASE

On July 1, 2003, the District entered into a Governmental Lease Purchase Agreement with Regions Financial Corporation to acquire a rescue unit. Total cost of the rescue unit was \$125,165 of which the District paid \$25,200 and signed a lease agreement in the amount of \$99,965 at a rate of 4.0%.. The lease is to paid in 60 monthly payments of \$1,841.01 with final payment due on July 1, 2008.

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NOTES TO THE FINANCIAL STATEMENTS

The future annual lease payments are as follows:

Years	Principal	Interest	Total
2004	\$ 18,738	\$ 3,354	\$ 22,092
2005	19,502	2,590	22,092
2006	20,296	1,796	22,092
2007	21,123	969	22,092
2008	12,717	170	12,887
	<u>\$ 92,376</u>	<u>\$ 8,879</u>	<u>\$ 101,255</u>

NOTE 9 - PENSION PLAN AND RETIREMENT COMMITMENTS

The District has no employees; therefore, it has no pension plan or retirement commitments.

NOTE 10 - CONTINGENT LIABILITIES

There is no pending litigation against the District.

NOTE 11 - COMPENSATION PAID TO BOARD MEMBERS

In compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature, compensation paid to board members is as follows:

Eugene Serio	\$ 0
Martin Frey	0
Valery Joseph Landry	0
Michael Neal	0
Mark Ramagos	0
	<u>\$ 0</u>

NOTE 12 - GASB 34 IMPLEMENTATION

The GASB issued Statement Number 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments", in June of 1999. Since the District is a component unit of the Pointe Coupee Parish Police Jury, therefore, the date of implementation is effective in three phases based on the financial reporting entity's total annual revenues in the first fiscal year ending after June 15, 1999 (earlier application is encouraged). The Pointe Coupee Parish Police Jury's total annual revenues were less than \$10 million in the fiscal year ending December 31, 2000; therefore, the District is (phase 3) required to implement the provisions for the pronouncement for financial statements for the period beginning after June 15, 2003. GASB Statement Number 34 establishes a new governmental financial reporting model that will

FIRE PROTECTION DISTRICT NO. 2 OF THE
PARISH OF POINTE COUPEE
MORGANZA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS

feature, among other significant changes, management discussion and analysis, a unique combination of fund-based and government-wide financial statements, required supplementary information, accounting for infrastructure assets, and accounting for the depreciation of infrastructure assets. The effects on the District's financial statements are not known at this time; however, the pronouncement will be implemented for the year ending December 31, 2004, if not implemented earlier.

NOTE 13 - ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 14 - RISK MANAGEMENT

The Fire Protection District No. 2 of the Parish of Pointe Coupee is exposed to various risks of loss relating to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to volunteers; and natural disasters. The District attempts to minimize risk from significant losses through the purchase of commercial insurance.

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SUPPLEMENTAL INFORMATION

FIRE PROTECTION DISTRICT NO. 2
OF THE PARISH OF POINTE COUPEE
MORGANZA, LOUISIANA
TAXABLE PROPERTY VALUATIONS
SINCE INCEPTION
(UNAUDITED)

Year	Mills Levied	Assessed Value	Homestead Exemption	Tax to be Paid by Owner	Tax to be Paid by State	Total Tax
1982	3.00	\$ 9,844,498	\$ 1,572,051	\$ 24,818	\$ 4,716	\$ 29,534
1983	3.00	11,546,004	1,568,652	29,932	4,706	34,638
1984	3.00	9,048,974	1,600,534	22,346	4,802	27,147
1985	3.00	12,170,902	1,608,671	31,687	4,826	36,513
1986	4.01	9,524,387	1,626,432	31,671	6,523	38,194
1987	4.01	8,599,802	1,634,263	27,932	6,554	34,487
1988	4.01	8,780,793	1,504,641	29,177	6,034	35,212
1989	4.01	8,954,817	1,507,232	29,865	6,045	35,910
1990	4.01	7,964,444	1,487,812	25,971	5,967	31,938
1991	4.01	8,699,622	1,478,362	28,957	5,929	34,886
1992	3.56	9,730,755	1,508,185	29,273	5,369	34,642
1993	3.43	10,217,576	1,476,375	29,983	5,064	35,047
1994	3.43	10,041,022	1,510,806	29,259	5,182	34,442
1995	3.43	9,689,747	1,552,866	27,910	5,327	33,237
1996	3.33	10,109,490	1,666,851	28,115	5,551	33,666
1997	3.46	10,007,485	1,703,636	28,732	5,895	34,626
1998	3.69	9,483,904	1,724,425	28,633	6,364	34,997
1999	3.69	9,705,504	1,724,360	29,451	6,363	35,815
2000	3.69	10,201,106	1,819,110	40,402	8,768	49,170
2001	4.82	9,812,471	1,888,340	38,195	9,102	47,297
2002	4.82	7,734,002	1,930,545	37,278	9,306	46,584
2003	4.82	9,928,062	1,912,140	47,854	9,217	57,071

FIRE PROTECTION DISTRICT NO. 2
OF THE PARISH OF POINTE COUPEE
MORGANZA, LOUISIANA
GENERAL FUND REVENUES, OTHER SOURCES, EXPENDITURES, AND OTHER USES
LAST TEN YEARS
(UNAUDITED)

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Revenues and Other Source:										
Taxes	\$ 29,259	\$ 28,285	\$ 28,146	\$ 28,697	\$ 28,383	\$ 28,967	\$ 40,566	\$ 32,384	\$ 39,968	\$ 45,932
Intergovernmental revenues	5,405	5,744	5,676	5,500	5,679	5,968	5,829	5,703	6,020	118,541
Miscellaneous revenues	1,683	5,176	2,680	3,213	3,932	4,417	6,336	5,000	2,135	1,209
Debt financing										
Total Revenues and Other Sources	<u>36,347</u>	<u>39,205</u>	<u>36,502</u>	<u>37,410</u>	<u>37,994</u>	<u>39,352</u>	<u>52,731</u>	<u>43,087</u>	<u>48,123</u>	<u>165,682</u>
Expenditures and Other Uses:										
General government	2,634	2,563	2,607	2,600	2,594	3,995	3,598	3,296	3,333	3,528
Public safety	18,457	22,583	16,849	15,874	14,367	18,396	15,920	10,833	19,892	49,878
Capital outlays	8,748	13,781			1,535	3,358	1,192	2,079	11,459	252,137
Debt service										
Total Expenditures and Other Uses	<u>29,839</u>	<u>38,927</u>	<u>19,456</u>	<u>18,474</u>	<u>18,496</u>	<u>25,749</u>	<u>20,710</u>	<u>16,208</u>	<u>34,684</u>	<u>305,543</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	<u>\$ 6,508</u>	<u>\$ 278</u>	<u>\$ 17,046</u>	<u>\$ 18,936</u>	<u>\$ 19,498</u>	<u>\$ 13,603</u>	<u>\$ 32,021</u>	<u>\$ 26,879</u>	<u>\$ 13,439</u>	<u>\$(139,861)</u>

George F. Delaune

CERTIFIED PUBLIC ACCOUNTANT
(A Professional Corporation)

Practice Limited to Governmental Accounting, Auditing and Financial Reporting

Phone
OFFICE (225) 937-9735
FAX (225) 638-3669
E-mail gfdcpa@yahoo.com

Office
7663 ANCHOR DRIVE
VENTRESS, LA 70783-4120

Member
AMERICAN INSTITUTE OF CPAs
LOUISIANA SOCIETY OF CPAs
GOVERNMENT FINANCE
OFFICERS ASSOCIATION

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Mr. Eugene Serio, Chairman
and the Members of the Board of Commissioners
Fire Protection District No. 2 of the
Parish of Pointe Coupee
Morganza, Louisiana

I have audited the general purpose financial statements of the FIRE PROTECTION DISTRICT NO. 2 OF THE PARISH OF POINTE COUPEE, LOUISIANA (the "District"), a component unit of the Pointe Coupee Parish Police Jury, as of and for the year ended December 31, 2003, and have issued my report thereon dated January 13, 2004. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the District's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial

reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended solely for the information and use of management, the Police Jury of the Parish of Pointe Coupee, New Roads, Louisiana (oversight entity), and the Legislative Auditor for the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

George F. Delaune, CPA

January 13, 2004

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FIRE PROTECTION DISTRICT NO. 2 OF THE
PARISH OF POINTE COUPEE
MORGANZA, LOUISIANA
SCHEDULE OF FINDINGS
YEAR ENDED DECEMBER 31, 2003

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the general purpose financial statements of Fire Protection District No. 2 of the Parish of Pointe Coupee.
2. No reportable conditions were disclosed during the audit of the general purpose financial statements.
3. No compliance violations were disclosed during the audit of the general purpose financial statements.
4. The District received a \$111,435 grant from the U.S. Department of Homeland Security.

B. FINDINGS — FINANCIAL STATEMENTS AUDIT

None